

WS-20794A-11-0279
WS-20794A-11-0140

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ARIZONA CORPORATION COMMISSION

UTILITY COMPLAINT FORM

Investigator: Jenny Gomez

Phone:

Fax:

Priority: Respond Within Five Days

Opinion No. 2011 - 101312

Date: 12/14/2011

Complaint Description: 08A Rate Case Items - Opposed
N/A Not Applicable

Complaint By: First: Emerald Springs Home Owners Association Last:

Arizona Corporation Commission

DOCKETED

Account Name: Emerald Springs Home Owners Association

Home:

DEC 16 2011

Street:

Work:

City: Blythe

CBR:

State: CA Zip: 92225

is:

DOCKETED BY

Utility Company: DII-Emerald Springs, LLC

Division: Sewer/Water

Contact Name:

Contact Phone: (000) 000-0000

Nature of Complaint:

*****DOCKET NO. WS-20794A-11-0279*****
RE: OPPOSE DDI Emerald Springs LLC CC&N

Emerald Springs Home Owners Association

Blythe, CA 92225

Arizona Corporate Commission
Consumer Services Section
1200 W. Washington St.
Phoenix, AZ 85007

Dear Commissioners:

Please allow the Emerald Springs Home Owners Association to state their concerns regarding DII Emerald Springs LLC (Henry Melendez) application for Certificate of Convenience and Necessity ("CC&N") and rate increase for sewer service in Ehrenberg, AZ 85334.

First and foremost Emerald Springs Home Owners Association is in direct opposition of DII Emerald Springs LLC (Henry Melendez) being granted a certificate of Convenience and Necessity ("CC&N") and rate increase for sewer services in Ehrenberg, AZ 85334, and Emerald Springs Subdivision in particular.

DII Emerald Springs LLC (Henry Melendez) did not set up his temporary waste water sewer plant as an emergency service in 2004. Emerald Springs Subdivision was being provided sewer service by another plant. Mr. Melendez created his sewer plant for one reason, to make money.

The actual truth is that DII Emerald Springs LLC (Henry Melendez) waste water sewage plant, sewer pipe and lift station are currently on several small pieces of land within the 244 acres that have been foreclosed upon and

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repossessed from DII Emerald Springs LLC (Henry Melendez) by Waltco / Rob Hannah investors. DII Emerald Springs, to our knowledge has neither a lease for any of the property from Waltco or an easement for the sewer pipe on Waltco's property. For the Arizona Corporation Commission to grant a Certificate of Convenience and Necessity ("CC&N") and rate increase may be a mute point. Waltco the owners of the property could force DII Emerald Springs (Henry Melendez) to vacate their property with a 15 day notice.

Mr. Melendez is going to try and make a case that the Emerald Springs Homeowners Association owns and operates the lift station and possibly the sewer pipe that is approximately 2000 feet long connecting the Emerald Springs Subdivision to Mr. Melendez temporary sewer plant. Nothing could be farther from the truth. The Emerald Springs Home Owners Association has never had ownership of any of the land, pipe or mechanical apparatus (Lift Station) which are all outside of the Emerald Springs Subdivision.

The lack of credibility Mr. Melendez has developed within the Emerald Springs Subdivision and the community of Ehrenberg was exposed when Mr. Melendez tried to rezone a residential area to commercial usage. He was met with overwhelming rejection at a community meeting in Ehrenberg. His rezoning application was soundly voted down by the La Paz County Supervisors.

There is currently an executed contract between Emerald Springs Home Owners Association and Mr. Melendez for sewer service at a rate agreed to by all parties. It appears that Mr. Melendez is making a profit from his sewer venture. If Mr. Melendez wants a rate increase let him negotiate in good faith with the Emerald Springs Home Owners Association. Provide all parties with documentation that his budget to operate his sewer plant is more than he makes from the operation. He supplies sewer service to no one but Emerald Springs Subdivision.

The Emerald Springs Home Owner Association sites the events described in this letter to indicate that Mr. Melendez appears to not normally hold up his end of contracts and agreements.

The Emerald Springs Home owners Association has an opportunity to reconnect our sewer to the original sewer service provider. The Emerald Springs Home Owners Association may exercise that opportunity.

Please consider all of the facts from this letter and the others you may receive from concerned homeowners and do not grant DII Emerald Springs LLC (Henry Melendez) a Certificate of convenience and Necessity ("CC&N") and rate increase at this time.

Very truly yours,
John Salazar, Bruce Reyner, Charles Bigler
Emerald Springs Home Owners Association
Board of Directors
End of Complaint

Utilities' Response:

Investigator's Comments and Disposition:

Noted and filed for the record in Docket Control
End of Comments

Date Completed: 12/15/2011

Opinion No. 2011 - 101312
